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IN THE UNITED STATES DISTRICT COURT FOR THE
 NORTHERN DISTRICT OF CALIFORNIA
 SAN FRANCISCO DIVISION

ALEXANDRE BALKANSKI TRADING
 PARTNER, LO; AAB & SB, LLC, Tax
 Matters Partner; ALEXANDRE
 BALKANSKI, Sole Member-Manager,

Plaintiffs,

v.

UNITED STATES OF AMERICA,

Defendant.

CV 08-002494 SI

STIPULATION TO RESCHEDULE
 CASE MANAGEMENT CONFERENCE

IT IS HEREBY STIPULATED AND AGREED by the plaintiffs and defendant that the Case Management Conference in this matter should be rescheduled from August 29, 2008 to **September 26, 2008 or later.**

The parties respectfully represent they have good cause for making this request as follows:

1. This case is complex federal tax proceeding. It arises from the Internal Revenue Service's disallowance of millions of dollars of losses the plaintiff partnership claimed on federal

1 tax returns by means of an allegedly abusive tax shelter. See IRS Notice 2002-35
2 (identifying “notional principal contract” shelters and warning that “the tax benefits
3 purportedly generated by these transactions are not allowable for federal income tax
4 purposes”). The IRS also imposed penalties under I.R.C. § 6662. The plaintiffs contend
5 that the positions it took on the tax returns were correct and that the IRS erred in imposing
6 penalties.

7 2. Government trial counsel with the Justice Department, Tax Division, has not yet obtained
8 the IRS administrative files or a defense recommendation from IRS counsel. These
9 materials are necessary in order to formulate the United States’ litigating position.

10 3. In order to allow government trial counsel sufficient time to obtain and review the IRS
11 administrative files and defense recommendation, the parties previously stipulated
12 pursuant to Local Rule 6-1(a) that the United States could have an extension of time
13 through September 12, 2008 in which to answer or otherwise respond to the complaint.
14 See Stipulation for Extension of Time to Answer, filed July 18, 2008. This extension was
15 stipulated before the Court issued its July 24, 2008 Notice scheduling the Case
16 Management Conference for August 29, 2008.

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4. Rescheduling the Case Management Conference after the due date of the United States' answer as requested above will be in the interest of judicial economy. The parties will be better prepared to address all of the issues set forth in the Court's Case Management Order, and the Case Management Conference should be more productive as a result.

DATED this 13th day of August, 2008.

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DATED this 13th day of August, 2008.

ALEXANDRE BALKANSKI TRADING PARTNER,
LP; AAB & SB. LLC., Tax Matters Partner,
ALEXANDRE BALKANSKI, Sole Member-Manager

/s/ Edward M. Robbins, Jr.
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